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# THE AGRICULTURAL SITUATION

*A Brief Summary of Economic Conditions*

ISSUED MONTHLY BY THE BUREAU OF AGRICULTURAL ECONOMICS  
UNITED STATES DEPARTMENT OF AGRICULTURE

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## CROPS BACKWARD BUT IMPROVING

The growing season is rapidly making up for lost time now, as usually happens at this time of year following a backward spring. Seasonal conditions are rather reversed from last spring in two important regions, the Corn Belt and the Cotton Belt. Last year the South got away to a fairly early start, but corn planting was badly delayed and in part prevented by the incessant rains. This spring corn was planted under favorable conditions and is already showing up good stands, while cotton is behind schedule.

Haying will begin this month, though grass has been very slow to start. Clover and alfalfa fields show the ravages of a hard winter. The country-wide condition of hay as reported last month was the poorest ever recorded. The same was true of pastures, but farmers in most sections had ample hay on hand to piece out the feeding season. Record stocks of old hay were carried over from last year. The present hay prospect is none too good in the important Northern and Eastern States. In fact, it looks as though the eastern dairy regions might be buying western hay before another season. However, it is an old adage that June decides the hay crop.

Wheat harvest will also get under way this month. Winter wheat was a dubious looking crop as it emerged from the dormant season. About one-quarter of the entire winter wheat acreage was abandoned. With the rains and finally the warm weather of last month, however, the grain has made rapid progress in the western Wheat Belt and has improved a good deal in the East. Spring wheat was sown under favorable conditions but has lately suffered somewhat from dry, hot weather.

The current world wheat situation has tightened up, pending the new crops. Supplies of European wheat were less than last year, necessitating large shipments, and both the European and Canadian stocks include low quality grain which requires a mixture of better wheat from other sources.

The hog market, since the April rise in prices, has been declining about in line with last year. The presumption is that the general trend of pig production is going to be somewhat downward this year and that prices, in consequence, may enter the upward movement of a new cycle. More definite light will be thrown on that possibility when the survey of the spring pig crop becomes available the latter part of this month. The proportion of sows sent to market suggests that there was enough reduction of breeding stock east of the Mississippi last winter so that the anticipated decrease in the spring pig crop may show up as even greater than expected. Corn was scarce in the eastern belt last fall. The present price ratio between hogs and corn is unfavorable to feeders.

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**KEY REGIONS AT A GLANCE**

**The East.**—Crops making progress though were considerably delayed in the planting. Stands of oats, potatoes, and corn are reported as beginning to show up well. Wheat heading in more southern territory. Fruit blossomed heavily. Dairy industry somewhat handicapped by late pastures and higher feed prices but farmers are paying very high prices for fresh cows and are raising more heifer calves. Poultrymen somewhat disturbed at higher feed prices.

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**The South.**—All crops have made rapid growth the past two weeks but are decidedly late. Cotton is a spotted crop, with stands irregular, chopping completed in some sections and replanted cotton just coming up in others. Some regions very backward as in north Texas and Oklahoma, due to rains. Corn planting very late, hardly finished yet, but germination and growth have been rapid. Winter oats harvested. Condition of spring oats, potatoes, rice, truck crops, and fruit reported generally good though they are late.

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**Corn Belt.**—Corn generally planted under good conditions; shows good stands; now being cultivated. Winter wheat improved greatly last month but many fields were plowed up and the surviving crop is very irregular. Some clover also plowed up on account of winter damage. Many reports of poor stands of oats; some latter replanted to corn. Crops generally a week to 10 days late but making up time now.

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**Wheat Belt.**—Winter wheat headed and looking good. Last two weeks have been very favorable for the grain in Kansas and Nebraska. Harvesting will soon be under way in Texas though heavy rains in latter and in Oklahoma are delaying work. Spring wheat was sown under fairly favorable conditions in the north but the young grain has suffered lately, from Montana to Minnesota, by reason of hot weather, drought, and winds. (Similar reports from Canada also.) Potatoes, sorghums, flax, and other supplemental crops somewhat late but are generally making a satisfactory start.

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**Range Country.**—Ranges now reported in fairly good condition except for dry sections in Arizona and eastern Montana. Grass was slow to start; crops generally are late east of the Continental Divide. Livestock moved to high ranges and generally in good condition. Some local losses of lambs reported in Utah and Nevada but more general comment indicates small total losses. Water ample in most sections. Alfalfa cutting in progress. Wheat, sugar beets, and irrigated crops generally doing well.

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**Pacific Coast.**—Became unusually dry during May, in portions of the north, with bad effects on wheat, late grains, and grass. Irrigation water ample but upland crops needed rain. Same condition extending into sections of California but crops in latter State have generally done well; grain harvest about to begin; truck shipments heavy; fruit making good progress. Some complaint of heavy drop of pears and early fruit in Washington.

## WINTER WHEAT REPORT

Geographic division	Acreage, 1928		Condition May 1			Production in thousands of bushels (i. e., 000 omitted)		
	Per cent abandoned	Acres remaining to be harvested	10-year average, 1918-1927	1927	1928	Harvested		Indicated by condition May 1, 1928
						5-year average, 1923-1927	1927	
North Atlantic--	8.3	1,487,000	P. ct.	P. ct.	P. ct.	29,171	27,614	23,921
North Central--	31.8	19,831,000	86.4	84.1	72.8	321,111	319,442	253,452
South Atlantic--	9.4	1,975,000	84.2	86.9	72.3	31,422	28,425	24,124
South Central--	17.2	6,872,000	86.7	84.3	74.6	75,600	58,570	74,560
Western-----	14.8	5,693,000	82.2	78.7	70.4	91,813	118,333	110,421
United States--	25.1	35,858,000	88.8	88.3	86.4	549,117	552,384	486,478

The outstanding features of the report issued by the crop reporting board on May 9, 1928, were the unusually heavy abandonment of winter wheat and the low condition of winter wheat and rye as of May 1. Abandonment of winter wheat was heavy from the Alleghenies to the Missouri River and in the western plains area from South Dakota to western Texas and New Mexico. In Ohio, Indiana, Illinois, and Kentucky, roughly two-thirds of the crop has been abandoned. This heavy abandonment of winter wheat will tend to increase the planting of alternative crops above earlier expectations.

Abandonment of winter wheat was estimated at 25.1 per cent, the acreage remaining for harvest being estimated at 35,858,000 acres, compared with 37,872,000 acres harvested in 1927 and 36,987,000 acres harvested in 1926. Condition was reported at 74.9 per cent of normal compared with 85.6 per cent a year ago, and 85.0 the 10-year average. A condition of 74.9 per cent on May 1 indicates an average yield of 13.4 bushels per acre, and a total production of 486,478,000 bushels, compared with a yield of 14.6 bushels per acre and a total production of 552,384,000 bushels in 1927, and a yield of 17 bushels and a production of 627,433,000 bushels in 1926.

The condition of winter wheat showed the effects of scanty snow covering during the winter with alternate freezing and thawing extending late into April. In the southern plains area wheat was also suffering from drought up to the 1st of May, but most of this area has had some rain since the 1st of the month. Injury has been greatest in the soft red winter wheat States from Ohio to Missouri, where abandonment has been extremely heavy. In Illinois the heaviest abandonment on record was reported, being most severe in the southern soft-wheat counties.

## AVERAGE PRICES OF FARM PRODUCTS RECEIVED BY PRODUCERS

Actual prices received by producers at local farm markets as reported to the division of crop and livestock estimates of this bureau. Average of reports covering the United States, weighted according to relative importance of district and State.

	5-yr. av. Aug., 1909— July, 1914	April average 1910— 1914	April, 1927	March, 1928	April, 1928
Cotton, per lb-----cents	12. 4	12. 4	12. 3	17. 8	18. 7
Corn, per bu-----do	64. 2	63. 4	65. 6	86. 2	91. 9
Wheat, per bu-----do	88. 4	89. 3	117. 2	121. 6	129. 2
Hay, per ton-----dollars	11. 87	12. 16	13. 26	10. 19	10. 29
Potatoes, per bu-----cents	69. 7	68. 8	126. 8	113. 2	116. 8
Oats, per bu-----do	39. 9	40. 9	43. 2	54. 5	56. 9
Beef cattle, per 100 lbs-----dollars	5. 22	5. 50	7. 13	8. 81	8. 92
Hogs, per 100 lbs-----do	7. 23	7. 59	10. 41	7. 48	7. 75
Eggs, per doz-----cents	21. 5	16. 8	20. 3	23. 4	22. 8
Butter, per lb-----do	25. 5	25. 1	43. 4	43. 9	44. 9
Butterfat, per lb-----do			47. 1	46. 5	45. 5
Wool, per lb-----do	17. 7	18. 0	30. 4	35. 4	35. 6
Veal calves, per 100 lbs-----dollars	6. 75	6. 76	9. 90	11. 34	11. 18
Lambs, per 100 lbs-----do	5. 91	6. 46	11. 97	12. 31	12. 73
Horses, each-----do	142. 00	146. 00	80. 00	85. 00	85. 00

The 3 per cent rise in the farm price of hogs from March 15 to April 15 did not take place uniformly over the whole country. The market price of hogs, which rose during the first half of April, was reflected more promptly in the surplus producing States of the Corn Belt than in the less important hog producing States. The farm price of hogs in the Corn Belt advanced about 5 per cent during the month from March 15 to April 15, while the other geographic division averages showed only small changes.

The rise in the farm price of hogs was due primarily to lighter receipts. Receipts at principal markets during the week of April 7 to 14 were 45 per cent below the week of March 11 to 17. The corn-hog ratio continued to decline, due to the failure of the advance in hog prices to keep pace with the advance in the farm price of corn.

Sheep and lamb prices advanced from March 15 to April 15. The lighter receipts at principal markets, due to the unfavorable weather which held back the early lamb crop, was an important factor influencing the rise in the farm price.

The farm price of corn advanced about 7 per cent during the period from March 15 to April 15. The price increase was uniform for the country as a whole. The higher price this month may be explained to a large extent by the increased feeding demand in the East, accompanied by unfavorable weather for planting of both corn and oats.

The farm price of wheat on April 15 was about 6 per cent above the same date the previous month. The unfavorable winter which resulted in a very low condition was probably an influencing factor in the rise in the farm price.

## PRICE INDEXES FOR APRIL, 1928

Farm products figures from this bureau; commodity groups from Bureau of Labor Statistics (latter shown to nearest whole number). Shows year ago and latest available month.

## FARM PRODUCTS

[Prices at the farm; August, 1909—July, 1914=100]

	April, 1927	March, 1928	April, 1928	Month's trend
Cotton-----	99	144	151	Higher.
Corn-----	102	134	143	Do.
Wheat-----	133	138	146	Do.
Hay-----	112	86	87	Do.
Potatoes-----	182	162	168	Do.
Beef cattle-----	137	169	172	Do.
Hogs-----	144	103	107	Do.
Eggs-----	94	109	106	Lower.
Butter-----	170	172	173	Higher.
Wool-----	171	199	200	Do.

## COMMODITY GROUPS

[Wholesale prices; 1926=100]

	April, 1927	March, 1928	April, 1928	Month's trend
Farm products-----	94	104	108	Higher.
Foods-----	95	98	100	Do.
Hides and leather products-----	102	124	127	Do.
Textile products-----	94	96	96	Unchanged.
Fuel and lighting-----	85	81	81	Do.
Metals and metal products-----	98	98	98	Do.
Building materials-----	95	91	92	Higher.
Chemicals and drugs-----	98	96	96	Unchanged.
House-furnishing goods-----	98	98	98	Do.
All commodities-----	94	96	97	Higher.

## GENERAL TREND OF WAGES AND PRICES

[1910-1914=100]

Year and month	General Wage level <sup>1</sup>	Farm wages <sup>2</sup>	Retail price of food <sup>3</sup>	Whole- sale price of food <sup>3</sup>	Whole- sale price all com- modities <sup>4</sup>
1910-----		97	96	100	103
1911-----		97	95	96	95
1912-----		101	101	103	101
1913-----		104	103	99	102
1914----- <sup>5</sup>	100	101	106	101	100
1915-----	101	102	104	104	103
1916-----	114	112	117	120	129
1917-----	129	140	151	166	180
1918-----	160	176	174	187	198
1919-----	185	206	192	205	210
1920-----	222	239	210	218	230
1921-----	203	150	158	143	150
1922-----	197	146	146	137	152
1923-----	214	166	151	143	156
1924-----	218	166	150	143	152
1925-----	223	168	162	156	162
1926-----	229	171	166	152	154
1927-----	231	170	160	148	149
April-----					
1921-----	206	-----	156	143	150
1922-----	190	-----	143	136	145
1923-----	213	148	147	143	162
1924-----	218	163	146	136	151
1925-----	218	163	155	153	159
1926-----	227	166	167	152	154
1927-----					
January-----	232	162	164	149	150
February-----	231	-----	161	147	149
March-----	234	-----	159	146	148
April-----	230	166	158	146	147
May-----	230	-----	160	147	147
June-----	230	-----	163	145	146
July-----	228	172	158	144	147
August-----	231	-----	157	145	149
September-----	233	-----	159	149	152
October-----	231	175	161	152	153
November-----	226	-----	161	153	152
December-----	233	-----	161	151	152
1928-----					
January-----	230	161	160	-----	-----
February-----	230	-----	156	-----	-----
March-----	233	-----	156	-----	-----
April-----	227	166	157	-----	-----

<sup>1</sup> Average weekly earnings, New York State factories.<sup>2</sup> Index based on both monthly and daily wages.<sup>3</sup> Bureau of Labor Statistics index numbers converted to 1910-1914 base.<sup>4</sup> Bureau of Labor Statistics.<sup>5</sup> June.

## GENERAL TREND OF PRICES AND PURCHASING POWER

[On 5-year base, August, 1909-July, 1914=100]

Year and month	Index numbers of farm prices								Wholesale prices of nonagricultural commodities	Relative purchasing power of farmer's product
	Grains	Fruits and vegetables	Meat animals	Dairy products	Poultry products	Cotton and cottonseed	All groups, 30 items			
1910	104	91	103	100	104	113	103	102	101	
1911	96	106	87	97	91	101	95	96	99	
1912	106	110	95	103	101	87	99	100	99	
1913	92	92	108	100	101	97	100	105	95	
1914	103	100	112	100	105	85	102	97	105	
1915	120	83	104	98	103	78	100	101	99	
1916	126	123	120	102	116	119	117	138	85	
1917	217	202	173	125	157	187	176	182	97	
1918	226	162	202	152	185	245	200	188	107	
1919	231	189	206	173	206	247	209	199	105	
1920	231	249	173	188	222	248	205	241	85	
1921	112	148	108	148	161	101	116	167	69	
1922	105	152	113	134	139	156	124	168	74	
1923	114	136	106	148	145	216	135	171	79	
1924	129	124	109	134	147	211	134	162	83	
1925	156	160	139	137	161	177	147	165	89	
1926	129	189	146	136	156	122	136	161	85	
1927	128	155	139	138	141	128	131	152	86	
April—										
1920	261	323	186	192	189	304	230	254	90	
1921	118	124	114	154	114	76	115	171	67	
1922	114	190	117	131	110	135	123	156	79	
1923	121	146	110	147	117	222	137	180	76	
1924	113	128	106	134	105	226	130	164	80	
1925	152	146	146	132	127	189	147	162	90	
1926	131	253	146	133	133	135	140	160	88	
1927	119	147	143	140	114	101	125	151	83	
1927										
September	134	145	142	135	143	179	140	152	92	
October	128	138	145	139	167	169	139	151	92	
November	120	136	141	141	189	162	137	151	91	
December	123	141	138	145	195	153	137	151	91	
1928										
January	125	144	138	145	177	152	137	151	91	
February	128	153	139	145	144	141	135			
March	136	174	139	142	122	147	137			
April	144	179	142	139	121	154	140			

NOTE.—The Bureau of Labor Statistics having changed its method of compiling the wholesale price index, the series showing relative purchasing power in the column at right of this page has been discontinued temporarily.

## THE TREND OF MOVEMENT TO MARKET

Figures show wheat, corn, hogs, cattle, sheep receipts at primary markets; butter receipts at five markets, compiled by this bureau.

Year and month	Receipts					
	Wheat <i>1,000 bushels</i>	Corn <i>1,000 bushels</i>	Hogs <i>1,000</i>	Cattle <i>1,000</i>	Sheep <i>1,000</i>	Butter <i>1,000 pounds</i>
Total—						
1920-----	332, 314	210, 332	42, 121	22, 197	23, 538	402, 755
1921-----	435, 606	340, 908	41, 101	19, 787	24, 168	468, 150
1922-----	413, 106	378, 598	44, 068	23, 218	22, 364	526, 714
1923-----	386, 430	271, 858	55, 330	23, 211	22, 025	545, 380
1924-----	482, 007	278, 719	55, 414	23, 695	22, 201	587, 477
1925-----	346, 381	223, 604	43, 929	24, 067	22, 100	574, 489
1926-----	362, 876	234, 873	39, 772	23, 872	23, 868	572, 935
1927-----	455, 991	241, 245	41, 411	22, 763	23, 935	581, 592
April—						
1920-----	13, 781	10, 091	3, 024	1, 557	1, 466	23, 221
1921-----	23, 739	11, 192	3, 230	1, 494	1, 677	32, 361
1922-----	12, 544	13, 188	3, 067	1, 470	1, 227	34, 835
1923-----	21, 785	16, 836	4, 318	1, 670	1, 447	40, 464
1924-----	10, 374	17, 926	4, 374	1, 751	1, 348	43, 579
1925-----	10, 023	9, 810	3, 247	1, 827	1, 541	42, 141
1926-----	13, 458	12, 589	3, 135	1, 711	1, 502	45, 501
1927-----	13, 680	10, 445	3, 142	1, 674	1, 486	48, 279
1927						
July-----	52, 996	14, 724	3, 046	1, 547	1, 676	67, 282
August-----	78, 909	17, 023	3, 041	2, 065	2, 209	57, 446
September-----	79, 962	21, 259	2, 565	1, 988	2, 848	42, 234
October-----	71, 696	19, 132	3, 039	2, 635	3, 587	38, 301
November-----	42, 394	15, 924	3, 666	2, 346	1, 896	33, 607
December-----	23, 903	36, 777	4, 209	1, 691	1, 609	33, 687
1928						
January-----	22, 313	37, 116	5, 306	1, 771	1, 705	42, 271
February-----	21, 403	44, 453	5, 267	1, 516	1, 669	41, 140
March-----	24, 639	39, 520	4, 639	1, 465	1, 520	45, 748
April-----	17, 483	19, 724	3, 483	1, 684	1, 591	44, 721

Movement of wheat to market during April was relatively heavy for the month. Same true of corn. The continued heavy run of hogs reflected the production situation. Cattle receipts were practically the same as last year, while sheep and lambs somewhat exceeded the April market movement of recent years.

#### THE TREND OF EXPORT MOVEMENT

Compiled from the Department of Commerce reports by division of statistical research of this bureau.

Year and month	Wheat, <sup>1</sup> includ- ing flour	Tobacco (leaf)	Bacon, <sup>2</sup> hams, and shoul- ders	Lard	Total <sup>3</sup> meats	Cot- ton- run- ning bales <sup>4</sup>
<b>Total—</b>	<b>1,000 bushels</b>	<b>1,000 pounds</b>	<b>1,000 pounds</b>	<b>1,000 pounds</b>	<b>1,000 pounds</b>	<b>1,000 bales</b>
1920-----	311, 601	467, 662	821, 922	612, 250	1, 043, 500	6, 111
1921-----	359, 021	515, 353	647, 680	868, 942	786, 280	6, 385
1922-----	235, 307	430, 908	631, 452	766, 950	733, 832	6, 015
1923-----	175, 190	474, 500	828, 890	1, 035, 382	958, 472	5, 224
1924-----	241, 454	546, 555	637, 980	944, 095	729, 832	6, 653
1925-----	138, 784	468, 471	467, 459	688, 829	547, 361	8, 362
1926-----	193, 861	478, 769	351, 591	698, 971	428, 613	8, 916
1927-----	222, 792	506, 751	237, 798	681, 303	302, 936	9, 198
<b>April—</b>						
1920-----	14, 146	42, 386	39, 996	40, 758	65, 648	540
1921-----	25, 120	43, 320	57, 778	53, 275	67, 658	315
1922-----	10, 698	40, 190	43, 254	42, 459	48, 828	587
1923-----	10, 428	40, 141	68, 528	85, 475	77, 963	257
1924-----	8, 624	59, 019	57, 546	73, 307	64, 467	311
1925-----	12, 912	30, 519	33, 413	44, 447	39, 303	440
1926-----	6, 452	43, 388	31, 410	63, 160	37, 947	506
1927-----	16, 138	35, 041	17, 844	67, 345	23, 922	825
1927						
<b>July-----</b>	<b>12, 100</b>	<b>28, 229</b>	<b>24, 040</b>	<b>46, 972</b>	<b>30, 043</b>	<b>372</b>
<b>August -----</b>	<b>28, 347</b>	<b>27, 817</b>	<b>16, 841</b>	<b>50, 816</b>	<b>23, 123</b>	<b>322</b>
<b>September-----</b>	<b>39, 765</b>	<b>38, 394</b>	<b>23, 952</b>	<b>59, 736</b>	<b>30, 213</b>	<b>620</b>
<b>October-----</b>	<b>36, 347</b>	<b>47, 044</b>	<b>16, 322</b>	<b>50, 355</b>	<b>21, 418</b>	<b>1, 113</b>
<b>November-----</b>	<b>26, 961</b>	<b>54, 307</b>	<b>13, 744</b>	<b>49, 636</b>	<b>17, 982</b>	<b>984</b>
<b>December-----</b>	<b>12, 211</b>	<b>47, 644</b>	<b>19, 947</b>	<b>62, 855</b>	<b>24, 453</b>	<b>745</b>
1928						
<b>January-----</b>	<b>11, 809</b>	<b>42, 600</b>	<b>22, 212</b>	<b>70, 660</b>	<b>27, 102</b>	<b>712</b>
<b>February-----</b>	<b>6, 725</b>	<b>41, 355</b>	<b>22, 175</b>	<b>79, 872</b>	<b>27, 850</b>	<b>614</b>
<b>March-----</b>	<b>7, 492</b>	<b>45, 957</b>	<b>28, 016</b>	<b>79, 929</b>	<b>34, 666</b>	<b>596</b>
<b>April-----</b>	<b>7, 880</b>	<b>41, 218</b>	<b>22, 074</b>	<b>56, 554</b>	<b>28, 607</b>	<b>467</b>

<sup>1</sup> Wheat flour is converted on a basis of 4.7 bushels of grain equal 1 barrel of flour.

<sup>2</sup> Includes Cumberland and Wiltshire sides.

<sup>3</sup> Includes fresh, canned, and pickled beef; bacon, hams, and shoulders; fresh, canned, and pickled pork; fresh mutton and lamb. <sup>4</sup> Excludes linters.

## GENERAL BUSINESS INDICATORS RELATED TO AGRICULTURE

	April, 1927	March, 1928	April, 1928	Month's trend
<b>PRODUCTION</b>				
Pig iron, daily (thousand tons).	114	103	106	Increase.
Bituminous coal (million tons).	35	44	32	Decrease.
Steel ingots (thousand long tons).	4, 127	4, 508	4, 303	Do.
<b>CONSUMPTION</b>				
Cotton, by mills (thousand bales).	618	581	525	Do.
Unfilled orders, Steel Corporation (thousand tons).	3, 456	4, 335	3, 872	Do.
Building contracts in 27 Northeastern States (million dollars).	539	523	569	Increase.
Hogs slaughtered (thousands).	2, 050	2, 892	2, 078	Decrease.
Cattle slaughtered (thousands).	1, 066	940	1, 013	Increase.
Sheep slaughtered (thousands).	800	814	814	Unchanged.
<b>MOVEMENTS</b>				
Bank clearings (New York) (billion dollars).	26	35	32	Decrease.
Car loadings (thousands) . . .	3, 876	4, 752	3, 738	Do.
Mail-order sales (million dollars).	41	42	40	Do.
Employees, New York State factories (thousands).	487	464	459	Do.
Average price 25 industrial stocks (dollars).	200	256	263	Increase.
Interest rate (4-6 months' paper, New York) (per cent).	4. 10	4. 19	4. 31	Do.
Retail food price index (Department of Labor). <sup>1</sup>	154	151	152	Higher.
Wholesale price index (Department of Labor). <sup>2</sup>	94	96	97	Do.

<sup>1</sup> 1913=100.<sup>2</sup> 1926=100.

Events in the stock market continued to absorb a large share of public attention last month. In spite of a rise in interest rates and some reaction in the markets, a heavy volume of speculation kept securities prices in a feverish state of activity. Many well-posted observers held out warnings that every bull market has its ending, but so far this one seems to last pretty well.

The steel industry continues very active with automobile production on the increase. Various other industries, however, show less activity than last year. Carloadings are slightly less. Employment is down somewhat.

So far as the production plans of farmers are concerned, there is little new in the business situation.

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### THE EGG AND POULTRY SITUATION

Interest in the egg markets continues to be centered on the volume of receipts and on the accumulations in storage. Arrivals at the principal markets during the first half of May ran lighter than a year ago but not to so pronounced a degree as was the case during April. The third week of May, however, showed a reversed condition with receipts running ahead of 1927 for the first time in several weeks. As a result, the shortage in this year's receipts over those of last were practically unchanged by the end of May as compared to the beginning of the month.

Receipts have apparently reached their peak and are now declining, though very slowly. Whether this decline continues slowly or more rapidly will have an important bearing on the balance of the egg-storage season. With receipts holding up well there is a chance that the shortage in storage holdings can be, at least partly, made up by a heavy into-storage movement during late May and throughout June. If, however, there has been an earlier and heavier movement of hens to market, as some think, the decline in egg receipts should be as rapid or more rapid than usual, and neither production this spring and summer nor storage holdings can hope to catch up to last year.

The egg-storage situation has strengthened statistically. About the middle of April eggs were moving into the warehouses at such an accelerated rate as to make it appear probable that the shortage in storage stocks existing on April 1 would be reduced by May 1. In the latter part of April, however, there was a rather abrupt about-face and the rate of storing fell off considerably, with the result that the shortage on May 1 had increased to over 1,000,000 cases instead of showing a decrease as had seemed likely earlier. Storage stocks of frozen eggs on May 1 were slightly below those of May 1, 1927. Egg prices both for current use and for storage have remained firm and largely unchanged during most of May and are 4 to 6 cents above those of the corresponding period of last year.

Receipts of poultry at the terminal markets show indications of slowing down as compared to last year. During the first three or four months of the year, however, receipts of dressed poultry at the four principal markets and of live poultry at New York showed a material increase over 1927. This was surprising in the face of the lighter receipts during the fall of 1927, which indicated a smaller poultry crop for that year. In some quarters this was interpreted to mean that there has been an earlier and closer selling off of hens than usual, induced by higher feed prices.

Prices of most classes of fresh dressed and frozen poultry are higher than a year ago, with the market generally considered to be in a good position.

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**SUMMARY OF DAIRY STATISTICS**

[Million pounds, 000,000 omitted]

**PRODUCTION**

	April			January to April, inclusive		
	1928	1927	Per cent change	1928	1927	Per cent change
Creamery butter-----	117	126	- 6. 8	426	427	- 0. 2
Farm butter-----	45	45	- 1. 1	154	156	- 1. 0
Total butter-----	162	172	- 5. 3	581	583	- 0. 4
Cheese-----	28	29	- 1. 5	107	103	+ 4. 1
Condensed and evaporated milk-----	171	177	- 3. 7	586	574	+ 2. 1
Total milk equivalent-----	4, 137	4, 348	- 4. 9	14, 730	14, 866	- 0. 9

**APPARENT CONSUMPTION**

[Including production, changes in stocks, and net imports or exports]

Butter-----	163	173	- 5. 8	623	619	+ 0. 7
Cheese-----	36	38	- 4. 3	151	153	- 1. 2
Condensed and evaporated milk-----	137	151	- 9. 3	592	559	+ 5. 9
Total milk equivalent-----	4, 137	4, 402	- 6. 0	16, 095	15, 934	+ 1. 0

T. R. PIRTLE,  
Division of Dairy and Poultry Products, B. A. E.

**COLD STORAGE SITUATION**

[May 1 holdings (shows nearest million; i. e., 000,000 omitted)]

Commodity	5-year average	Year ago	Month ago	May 1, 1928
Creamery butter-----pounds-----	7	3	6	5
American cheese-----do-----	27	32	32	30
Case eggs-----cases-----	4	6	1	4
Total poultry-----pounds-----	68	77	83	57
Total beef-----do-----	75	63	57	46
Total pork-----do-----	807	770	998	959
Lard-----do-----	107	100	165	173
Lamb and mutton-----do-----	3	2	3	2
Total meats-----do-----	953	894	1, 133	1, 078

### THE DAIRY SITUATION

Lateness of the season has been the cause of much uncertainty and much speculation as to what dairy production will likely be during the summer months this year. Even now the probable production trend is more or less of an unknown factor, and about all which may safely be said relates to the immediate moment. Weather conditions have been rather unfavorable all spring, with temperatures quite a bit below normal for the period from April 1 clear up to the middle of May. Practically all sections have been affected with the result clearly shown in the last official butter production estimate which relates to the month of April and which indicates a decrease of 6.8 per cent below April of last year. Trade reports each week during the current month have further revealed that butter production continues to run below that of a year ago, these later decreases representing quite substantial percentages, averaging roughly about 10 per cent. These same reports, of course, show that for succeeding weeks there have been increases, which are to be expected despite the lateness of the season. This setback of the past month or so has resulted in total butter production for the calendar year dropping behind the same period in 1927, and while the extent of the decrease is not known at this time, it is reflected by the fact that market receipts have not kept pace with those of a year ago. Cheese and condensed milk production show the effect of the late season also, with a reduction in April of approximately 1.5 per cent and 3 per cent respectively compared with April, 1927, regardless of which, however, the calendar year total remains some 4 per cent above 1927. Condensed milk production in April was approximately 3 per cent less than a year ago, which reduces the calendar year increase over the same four months in 1927 to about 2 per cent instead of 5 per cent which was the relative gain a month ago.

It is getting close to that time of year when a heavy into-storage movement of butter and cheese occurs, but so far the movement is very light. Since May 1 to date (May 24) the increase in butter stocks at the four principal wholesale markets has been but 880,000 pounds, whereas during the same period in May of last year an increase of over 5,000,000 pounds occurred. Total storage stocks of butter on June 1 of last year were 25,000,000 pounds, but if the present rate of increase in storage centers for which information is available is applicable to the country as a whole there is some question as to whether this year's stocks on June 1 will be half that amount, in which case they will also be considerably below the June 1 five-year average of 20,000,000 pounds. The increase in cheese stocks since May 1 is apparently less than half of last year's May increase, although it may be said that during neither year were the increases important in amounts. As is usual during April, manufacturers' stocks of canned milk increased during April, the amount being about the average increase.

The late season, with its resulting lower butter production, has had a striking effect upon butter prices. April prices averaged from 4 to 5 cents below April of last year, but early in May the 1928 price curve crossed that of 1927, and unless some rather unusual change occurs during the remaining few days of the month the May average will be about 2 cents higher than last year. May butter prices are, as a matter of fact, higher as the month comes to a close

than they have been any May since 1920. It remains to be seen just what will happen to prices the next month or two, for the season is late and the usual spring decline has not yet occurred. On account of the shortage this decline may not occur at all for June is practically at hand and a sufficient demand for June storing may develop to prevent it. As a matter of interest, it may be noted that during each of the past five years average prices through June, July, and August have not shown a variation exceeding 3 cents from the May average of the same year. Prices of cheese and other dairy products show little change from last year.

L. M. DAVIS,

*Division of Dairy and Poultry Products, B. A. E.*

### THE WHEAT MARKET SITUATION

A rather unsettled situation prevailed in the wheat market during April and May and prices fluctuated sharply. Uncertainty concerning the extent of winterkilling of the United States winter wheat crop, together with the limited supply of good quality milling wheat, particularly of soft red winter, caused a steady upward trend in domestic prices during the first four months of 1928. The closer adjustment of the world's supply to requirements for the remainder of the season, than seemed probable earlier, was also a strengthening factor.

Wheat prices advanced nearly 35 cents per bushel from January 1 to May 1, based upon the weekly average prices of reported cash sales of all classes and grades at five important markets, and at the 1st of May averaged higher than for any year at that time since May, 1920. Generally favorable weather for winter wheat and for spring sown grains during May, together with the failure of foreign markets to follow the full advance of the domestic markets, brought about a weaker situation in the domestic wheat market. Prices turned sharply downward and most of the advance which took place in April had been lost by the middle of May.

Dominant factors in the wheat market during the next two months will be the progress of the 1928 crop in North America and Europe and the relative demand from the importing countries for the remaining supplies of bread grains in the surplus areas.

#### WINTER WHEAT PROSPECT LESS FAVORABLE THAN LAST YEAR

Prospects for the 1928 winter wheat crop are less favorable than a year ago. Conditions of winter wheat in both the United States and Europe are below average and the heavy abandonment reported will probably offset the increase in fall sowings.

Slightly over 25 per cent of the winter wheat acreage in the United States has been abandoned, according to the May 1 estimate of the United States Department of Agriculture. About 35,858,000 acres remain for harvest according to this estimate, compared with 37,872,000 acres harvested in 1927. The condition of the crop at the 1st of May was unusually low, being reported at 74.9 per cent of normal. This would indicate a yield of approximately 13.4 bushels per acre and on the estimated area remaining for harvest would produce about 486,478,000 bushels, or about 66,000,000 bushels less than last season's harvest. Of the total production as estimated May 1,

around 118,000,000 bushels would be soft red winter, about 305,000,000 bushels hard winter, and the remainder, or about 63,000,000 bushels, white winter wheats. Last season the production of soft winter wheat was approximately 180,000,000 bushels, of hard winter 318,000,000 bushels, and of white winter wheats about 54,000,000 bushels.

In the principal European countries, including France, Jugoslavia, Hungary, Rumania, Austria, Czechoslovakia, Poland, and Germany, both the wheat and rye crops have been adversely affected either by the severe winter or by the late cold spring. This has resulted in frost damage and abandoned acreage with a great deal of the winter and spring sowings in a backward condition and generally below last year's stand. At the 1st of May all these areas were badly in need of warm rains and warm growing weather, with the exception of Italy, where the grain crop prospects were good. While European crop prospects as indicated by present conditions may be somewhat below last year, this may not mean a comparable reduction in the effective supply of good quality wheat, because an unusually large proportion of last year's harvest was unfit for milling purposes.

#### SPRING WHEAT SOWN UNDER GOOD CONDITIONS

The outlook for spring-sown grains at the middle of May was for larger seedings in both the United States and Canada under generally favorable weather conditions. Trade reports confirm the expressed intentions of farmers to increase spring wheat acreage in the United States this season. Moisture conditions have been generally favorable and seeding had been practically completed throughout the principal spring wheat States at the middle of May.

Seeding of spring wheat in Canada was about as far advanced at the middle of May as in an average year at this time, according to trade reports. An increase of around 10 per cent is indicated in seedings in the prairie Provinces, according to reports to the Manitoba Free Press. This would suggest a total acreage slightly above the record area of 23,261,000 acres in 1921. Seedings on newly broken land amounted to 3 per cent of the area in Manitoba, 5 per cent in Saskatchewan and 10 per cent in Alberta. The subsoil moisture was abundant and the condition of the seed bed excellent.

#### WORLD SUPPLIES SLIGHTLY SMALLER THAN YEAR AGO

Supplies available for export at the 1st of May in the principal surplus producing countries outside of Europe apparently were some 30,000,000 bushels larger than a year ago, but this increase was more than offset by the smaller amounts available in the surplus areas of Europe, including Russia. The poor quality of much of the Canadian and European crops may further reduce the effective supply of bread grains.

Stocks of wheat in the United States at the 1st of March, including wheat on farms, in country mills and elevators, and in commercial channels, were about 7,000,000 bushels larger than a year ago. Commercial mill stocks at the 1st of April were about 2,000,000 bushels smaller than at the 1st of April, 1927. Exports during March and April were about 10,000,000 bushels less than for the corresponding period last season, which would suggest that domestic supplies of wheat at the 1st of May were 15,000,000 to 17,000,000 bushels larger than last season.

While farm stocks were reported at the 1st of March as about the same as last year, they were distributed differently. Stocks in the States producing principally winter wheat were materially smaller than last season, but in Montana, North Dakota, South Dakota, Nebraska, Washington, and Oregon, stocks remaining on farms totaled around 30,000,000 bushels more than remained in these States at the 1st of March last season.

Commercial stocks at the 1st of May were approximately 24,000,000 bushels larger than a year ago and accounted for the smaller supplies in other positions. Nearly two-thirds of these commercial stocks were held at Minneapolis and Duluth and consisted mainly of red spring and durum wheat. At the close of the week ending May 5 stocks of red spring wheat at these markets totaled about 22,380,000 bushels, of durum 11,300,000 bushels and of other wheats about 6,530,000 bushels.

It is apparent, therefore, that stocks of winter wheat are likely to be relatively low at the beginning of the new crop year, July 1, while stocks of spring wheats will be much larger unless exports increase materially over the shipments during recent months.

Net exports of domestic wheat from July through March totaled 120,356,000 bushels, or about 8,000,000 bushels more than were exported during the corresponding period last year. The active export demand for United States wheat which prevailed during the early part of the current crop year as a result of the late movement of the Canadian crop, slackened during the first months of 1928 with advancing domestic prices and pressure of heavier offerings of good quality Argentine wheat in foreign markets. Exports of domestic wheat as grain during the January-March quarter amounted to only 10,970,000 bushels and with the exception of 1924 and 1926 were the smallest for that period during the past 10 years.

Navigation opened late this season and exports during April totaled less than 3,000,000 bushels. While there may be some increase in the export movement with the opening of navigation, United States wheat will now meet greater competition from the spring movement of Canadian wheat and from the new durum crop of North Africa. Net exports of wheat during the quarter March-June last year totaled about 30,500,000 bushels from a supply estimated to have been about 7,000,000 bushels smaller at the 1st of March than this season's stocks on that date.

Canadian stocks of wheat at the 1st of April, according to the official estimate totaled 219,546,000 bushels, or about 45,000,000 bushels more than at the 1st of April, 1927. Allowing for seed, food requirements for the next four months and a carry-over equal to that of last year, the balance available for export would be about 115,546,000 bushels. Exports last season from April through July totaled only about 83,000,000 bushels. The estimate of this season's surplus, however, may be subject to some revision downward since no allowance is made for feeding on farms or for the low quality grain which may render some of it unfit for export.

Supplies of wheat in the Southern Hemisphere at the 1st of May were approximately 18,000,000 bushels below the amount shipped out from May 1 through December last season. Stocks of wheat and flour on ocean passage at the 1st of May were about 5,000,000 bushels smaller than a year ago and, together with the smaller supplies in

the Southern Hemisphere, tended to offset the increased supplies in the United States and Canada.

India has harvested a crop reported to be about the same as last year from which less than 14,000,000 bushels were exported. The North African crop which competes with United States durum in southern European markets may be a little larger than last season.

#### WORLD SHIPMENTS LARGE

World shipments of wheat, including flour, according to trade estimates, for the 9 months ending with March amounted to approximately 587,000,000 bushels and exceeded those of the corresponding period for any other season for which statistics are available. The heavier shipments occurred during the earlier part of the season and since the 1st of January shipments have been slightly smaller than for the same period last year but above those of any other recent year.

The active European demand which has prevailed during the current season, to date, appears likely to continue until the outcome of the new crop is more nearly determined. Native supplies in Europe are not large and include much low quality grain which will need to be further supplemented with good milling wheat from foreign countries. Based upon estimates by the International Institute of Agriculture, import requirements during the next three months will be around 75,000,000 bushels monthly. While import statistics are not available for March and April, world shipments of wheat and flour during these months totaled nearly 150,000,000 bushels. On this basis around 220,000,000 bushels apparently would be required of the principal exporting countries during the period May through July and indicate a fairly close adjustment between these prospective requirements and the amount estimated to be available for export in North America and in the countries of the Southern Hemisphere.

The shortage of feed grains and relatively high prices of all feed-stuffs in Europe have increased the use of low quality bread grains for feed. This has tended to increase the imports of both wheat and rye for milling and likewise of low-grade Canadian wheat for feed. With a large percentage of the Canadian and European wheat of low quality, it seems probable that export inquiry for new crop hard winter wheat will be active if a crop of good quality wheat is harvested, as this will be needed to mix with the soft wheats from the Southern Hemisphere and the relatively low quality Canadian wheat.

#### LARGER DURUM ACREAGE REPORTED

Early prospects for the 1928 durum wheat crop in important countries favor increased production, although it is too early for any definite indication of outturn. United States farmers reported intentions to increase durum acreage this spring and seeding conditions have been favorable. Seeding reports in Canada were also favorable. In North Africa the acreage of all wheat, which is mostly durum, is 7,389,000, which is 4.7 per cent greater than a year ago. Harvesting is under way in that country and favorable outturns are reported. North African wheat is now being offered in European markets for June and July shipment. Italy, which imports United States and Canadian durum to supplement the domestic supply, has an acreage probably about equal to last year and has had better growing conditions this season, with the probability of a larger crop.

**SMALLER RYE CROP IN PROSPECT**

Since rye supplements wheat as a bread grain, particularly in some European countries, the development and prospects for this crop will have an important bearing upon the wheat market situation. Prospects for the 1928 rye crop are less favorable than for any year since the poor crop in 1924. The condition of rye in the United States May 1 was only 73.6 per cent of normal compared with 88.3 per cent May 1 last year and a 10-year average of 88 per cent. The May condition on the 3,562,000 acres remaining for harvest indicates a crop of about 39,368,000 bushels, or about 19,000,000 bushels below last year's harvest.

Some increase over last season in the European rye acreage has been reported but from present prospects this increase appears to be more than offset by heavy winter killing in Poland, Germany, and Russia. The condition of the crop in these countries is below average and indicates a poor outturn this season.

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**THE HAY SITUATION**

The prospective hay crop situation for 1928, as judged by conditions on May 1, is one of the most unusual in recent years. Present indications are that the Dairy Belt will need to import large quantities of legume hays for feeding next winter. Producers of these kinds of hay in the Western States, who have sought vainly for a favorable market for their surplus production of the past few years, appear destined to find such a market for their 1928 crop.

Stocks of hay on May 1 were the largest since reports were first made in 1909, excepting one year, 1921. On the other hand, the reported condition of tame-hay meadows, on May 1, of 76.1 per cent of normal, was the lowest on record since these reports were first made in 1882. Seldom before has the condition on May 1 fallen below 80 per cent.

The low condition reflects chiefly three factors:

1. The cold late spring which retarded growth, but the effects of which can still be overcome by favorable weather to harvest.
2. The prolonged drought up to May 1 in parts of the Central West which has brought about a deficit of soil moisture which will be difficult to overcome.
3. The apparent material acreage of winter-killed clover and alfalfa in the North Central States, particularly east of the Missouri River, which can not be replaced for the 1928 season.

Judged by comments from crop reporters in connection with the May 1 condition report, abandonment of clover and alfalfa has been heavy in many States which are important in the production of these kinds of hay. Loss of clover acreage was particularly noted in the East North Central and North Atlantic States, where a large tonnage is used in the dairy industry. Alfalfa acreage also, undoubtedly, has received a severe setback in these States.

The heavy winterkilling of wheat in the Ohio Valley, where clover is often seeded in wheat fields during the winter, may also affect the acreage for the 1929 season. While some of the abandoned wheat acreage may have been sown to spring grains and reseeded to clover, it is not likely that all such potential clover acreage was reseeded. A considerable expansion in the acreage of millet and other annual hays will, doubtless, take place.

All factors considered, it appears that, in spite of the large stocks on May 1, there will probably be a short crop of hay in these States, and an active demand for clover and alfalfa hay of the 1928 crop in the dairy States.

The condition of tame-hay meadows in the western States on May 1 was 87 per cent of normal. Winterkilling was not material in these States and the generally favorable soil moisture conditions portend yields at least average or above. It would appear that producers in these States will have hay available for shipment to the hay consuming States when the carry-over of 1927 hay, and the indicated short crop of 1928 there are consumed.

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#### HAY MARKET CONDITIONS

The hay market developed a firmer tone during May, influenced by the high prices of feedstuffs and a more active demand from southern consuming areas where the supply of local forage has become nearly exhausted. Delayed pasturage in northern areas has tended to strengthen the market while unfavorable prospect for the 1928 crop of tame hay is influencing holders of old crop hay to wait until the outcome of the new crop can be more definitely determined before disposing of their surplus.

The condition of the 1928 tame hay crop is considerably below average. Considerable damage to alfalfa and clover was caused by the alternate freezing and thawing during the winter, while the cool weather during April retarded the growth of both hay and pasturage. The lowest conditions were reported in the North Central States where nearly half of all hay acreage is located.

The influence upon the hay market situation of the poor prospects for the 1928 crop has been somewhat counterbalanced by the record stocks of old hay still remaining on farms. It is estimated that these stocks totaled about 17,920,000 tons at the 1st of May compared with 10,819,000 at the same time last year and 11,481,000 tons on May 1, 1926. The indicated disappearance on farms since last harvest appears to be much above normal, due probably to the abundance of the supply at the beginning of the season, the low price levels which have prevailed throughout the year for most classes of hay and the higher prices of other feedstuffs.

Timothy prices ranged nearly \$5 per ton lower than last season up until about the 1st of March, when they turned upward. Since that time the average price of No. 1 timothy at the principal markets has advanced about \$2.50 per ton, and at the last of May offerings of good quality hay were being readily taken at steady prices. In some markets the supply of the higher grades is scarcely equal to trade requirements, although the supply of the lower grades is still apparently plentiful in the principal distributing markets. Prairie hay prices also averaged around \$5 lower than last season, but during March and April the price tended slightly upward, influenced principally by the higher prices of other classes of hay. The demand for prairie hay is rather limited and only the better grades are desired.

Alfalfa prices, on the other hand, have tended steadily upward since the beginning of the season and the average price of No. 1 alfalfa at the principal markets advanced from \$18 per ton at the middle of

August to over \$26 per ton at the middle of May. The limited supply of good quality alfalfa has been principally responsible for this advance. New crop hay is now being marketed in the Southwest. The first cutting has practically all been disposed of in Arizona and the second cutting is now being marketed. A rather small\* yield for both of these cuttings is indicated from trade reports and this hay is said to be passing directly into consuming channels with very little being stored. New crop alfalfa from southern Alabama appeared upon the local market at the middle of May but offerings of new crop hay have not been sufficient to materially affect the price. Quotations are holding steady with offerings of green leafy hay suitable for dairy purposes in more urgent demand at the principal distributing markets. The shortage of alfalfa has cut down the production of alfalfa meal and the output by the principal manufacturers during April was the smallest since last July.

There have been no changes in the general demand situation in recent months. The arrival of pasturage will materially reduce the demand for hay during the next few months and with the large stocks remaining on farms the supply appears decidedly adequate for market requirements. The outturn of the new crop will be the dominant factor later in the season.

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#### THE POTATO SITUATION

Interest in the market for old potatoes lessened when it appeared from the continued heavy shipments from Maine and Idaho that the supply would last until new potatoes had caught up with the season. Old stock was selling as low as 50 cents per 100 pounds in far West producing sections and at 75 cents in Maine, although the price picked up considerably after the middle of May. Markets have been liberally supplied and more new potatoes than old are coming now.

Supply and crop conditions suggest decreasing shipments of old potatoes through June without much change in prices and rapid increase of new stock supplies from the large acreage in the region from the Carolinas westward. About 5 per cent more potatoes than last season are expected from the early States, although Virginia and Maryland are not likely to equal their great output of last season.

The early and second early potato acreages are reported about 10 per cent greater than last season, with condition of the crop so far reported as slightly above average, being particularly good in the East and California, also in the Kaw Valley, but rather low in the Central South. Like the early region, the mid-season States from Virginia and Maryland westward to Oklahoma are one to three weeks later than last year, which means that many of the May shipping States will move their crop mostly in June, and the mid-season crop will overlap the main crop season. The region from New Jersey and Long Island westward ships in July and August, with probably little market room to spare between the early and late crops.

The outcome as to the main crop of potatoes the coming season will depend much on whatever increase an acreage takes place. Considerable gains were expected in the United States and in competing Provinces of Canada. Yield per acre often shows more than the usual tendency to increase after a time of high prices in early spring.

Growers, it appears, take better care of their crop after a period of rising prices and when they have paid heavily for their certified seed stock. The market slump in May probably lessened the zeal of some planters. On the other hand, it left many northern and western growers with a supply of low-priced potatoes available at planting time. Chances somewhat favor production of more potatoes than were turned out last season, although late planting tended to handicap the more northern sections.

Condition of the summer shipping crop, as last reported, was fair to good in most States except Arkansas and Oklahoma. Production of the early shipping States is placed at fully a million bushels greater than last season, with probable decreases in Virginia but liberal gains in the Carolinas and Louisiana.

One underlying source of trouble with the potato situation is that the crop is part way between a side line and a specialty. The commercial crop districts are increasing in size and number. More fertilizer and better seed are being used. The same number of acres produce more potatoes year by year, upsetting market calculations.

The changing tendency indicates that the market potato crop is going gradually into the hands of larger growers, just as happened more or less with oranges, apples, cranberries, and some of the southern and western truck crops. Specialists have the best of it in a poor year. They fight harder for their main cash crop because they depend on it for income. They get larger yield, better quality, and higher prices as a rule, compared with the rank and file of producers. The increase of average yield from 100 bushels to about 115 bushels in recent years, including many sizable gains in the East and South, is supposed to be the work of the potato grower rather than of the general farmer who raises only a few. So far as this goes, it seems to be about the same kind of change that doubled the number of market carloads of apples in half a dozen years without any increase in number of bearing trees. The quality improved so much meanwhile that the fruit of scattered neglected trees has small chance on the market in a good fruit year. Possibly the potato business is moving in the same direction.

One of the bad features of the past market season was the mass of poorly graded potatoes which every market upturn brought out from places where they should have been allowed to stay. Their appearance at lower prices hampered the sale of the good stock. Some local restrictive measures like those which have prevented shipment of lowest grade northwestern apples would have tended to strengthen the market position of most potato shipping sections and would prove all the more effective in a season of heavy production.

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#### TRUCK CROPS AND FRUIT

The main features this season are the still larger acreage of truck crops and berries, a late season, some weather damage, with growing conditions only fair, but with good general fruit crop prospects. Shipments of green produce have been increasing rapidly the past month, with sharp declines in prices toward the 1st of June, reaching a general market level below that of a year ago. Crop and seasonal conditions suggest occasional times of heavy supply, with low prices

during the next month or two. Business conditions seem to be improving gradually, assuring continued good consuming demand. Increased activity of the canning industry will help take care of surplus production.

*Liberal plantings.*—Truck crop acreage is generally above average, showing many increases over last season's heavy planting, with gains in mid-season potatoes, berries, tomatoes, lettuce, beans, and peas. Production, so far as indicated, will increase somewhat with the acreage, although progress of crops requiring warm, sunny weather has not been very satisfactory.

Among the few production decreases expected is one of 20 per cent in southern cucumbers. A comparatively moderate supply of early cantaloupes is indicated in early summer, but heavier in mid-season and about average in early fall. There are some reductions expected in the West which supplies five-sixths of the carloads, but there is some increase in Florida and Georgia. With prospects of more fruit and berries, and ample supplies of watermelons, the moderate cantaloupe acreage in sight appears plenty large enough in a late, cool season. Quality is reported good.

*Increasing shipments.*—Shipments of southern produce have been overtaking and passing figures of a year ago. There has been less fruit coming this spring, but more vegetables, especially from California. June is likely to be a busy month, with a group of delayed sections swinging into line together. Frosts and rain brought some injury to the early crops, but the trucking region is so big that nothing seems to keep down the market supply very long, and there have been competitors in Mexico, Cuba, and Bermuda ready to fill in the chinks. Pacific coast trucking sections took advantage of the market opportunity with increased early shipments of lettuce, cantaloupes, asparagus, cauliflower, cabbage, and peas.

The combined shipping season totals of all fruits and vegetables keep surprisingly close together year after year. This season's total of about 617,000 cars to near the end of May is 2,000 more than last season, which was supposed to be a good crop year. With a fair price expected, there is always something found to fill up the cars. Delay of the usual early shipping movement has contributed to increase supply in late spring, with a downward tendency of prices toward the 1st of June, reaching a level below that of a year ago.

*Melons late.*—The watermelon crop is reported two or three weeks late, all along from Florida to North Carolina. Condition of the whole southern crop is more or less below average. This will not prevent a good supply when the season is under full headway. An increase of nearly 3,000 cars or about one-third more than last season is expected from Florida, but the larger output may find market room owing to poor condition of the south Georgia crop.

*Berries heavy crop.*—June shipments of strawberries are likely to be heavy because of increased acreage and better yield of the whole crop, with the mid-season and late production on the market together. Distant shipments of poor fruit have been selling at extremely low prices and such berries would have little chance at times of great oversupply.

*Sweet potatoes.*—Shipments of sweet potatoes have run 1,600 cars below last season's figures, owing chiefly to lighter supplies from the northeastern part of the producing region. Prices have been higher.

Earlier reports from planters suggested that a little more land would be used for sweet potatoes this season, but weather conditions have not favored such plans in northern producing sections.

*More fruit expected.*—Signs of a good fruit season begin to appear. First comes a large crop of berries, the result of more acres and better yield. The trade fears a low-priced surplus at the height of the season in June, when the delayed early districts are shipping together with the usual mid-season sections.

Orchard fruit prospects seem to be fair to good as yet in the South and far West and at least fair in the North, despite some frost injury and dropping of the young fruit, especially of pears, cherries, and plums. The set of peaches was good in Georgia and North Carolina and less satisfactory in Arkansas, Oklahoma, and Texas. Oranges and grapefruit made a better start this season. Fruit in California promises fair to very good, according to kind, and in fact about the same may be said of the entire fruit crop prospect at this time. Early reports from the English apple sections mention a fairly good bloom and no great amount of frost injury.

Apple prices have held firm as a rock toward the end of the season. It was a fairly good year in common storage. Some growers as far south as Virginia had sound apples to sell in April and May. Before quite all the old apples are out of cold storage, the early new crop starts, usually near the middle of June, from Georgia, Alabama, Tennessee, and Kentucky, followed by southern Illinois and Maryland eastern shore. All these sections report the crop delayed. Last year about 100 carloads were shipped during June.

A larger peach supply is expected, with active beginning in early June, when Georgia starts its good crop, estimated at 17,000 cars or more. This would be over 40 per cent ahead of last season's output and not far below the crop of two years ago. The Hiley and Elberta varieties show heavy gains.

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#### TYPICAL SPRING MOVEMENT OF VEGETABLES

(The following is taken from the weekly market review of fruits and vegetables issued by this bureau. This report was issued May 22, 1928, and covers shipments and prices of the preceding week. It presents a condensed picture of the nation-wide production and movement of fresh vegetables at this season.)

Fruits and vegetables are somewhat delayed in the East, but the California season appears to be early. First shipments of California peaches and plums were made last week. Movement of strawberries, southern potatoes, and tomatoes was exceptionally heavy and constituted more than one-third the week's total of 18,200 cars of 30 leading products. Prices of nearly all lines were lower, though old potatoes tended to recover in northern Maine and southern Idaho, and western stock sold higher in the Chicago car-lot market. Acreage of second-early potatoes is 10 per cent greater than last year.

Cantaloupe shipments increased rapidly in Imperial Valley, filling nearly 1,000 cars, compared with 440 during the same week last spring. The cash track price dropped to \$2 per standard 45 crate. Terminal markets quoted standard 45's lower at \$5 to \$9 and flats at \$2 to \$3.50. First cars moved from Arizona and Texas.

About 1,150 cars of southern cabbage rolled, mostly from South Carolina, Alabama, and Mississippi. Movement was more than twice as active as in May, 1927. South Carolina stock declined in city markets to a range of \$2.25 to \$3.50 per barrel crate, with south-central cabbage bringing \$3.50 to \$5. Crates of Virginia stock could be had at \$2 to \$3; New York quoted 1½ bushel hampers as low as \$1.

Imports of Bermuda celery were increasing, while domestic shipments dropped to 250 cars. The 10-inch crates from Florida held fairly firm in consuming centers at \$3 to \$5; California celery was jobbing at \$5 to \$7 per large crate.

Cherry movement from California had increased to 225 cars for the week.

Lettuce in central California was past its peak, and total forwardings of this product decreased sharply to 1,150 cars. California stock was jobbing lower in terminal markets at \$2.50 to \$3.50 per crate. North Carolina and Virginia lettuce, packed in 5-peck hampers sold as low as 50 cents to \$1.50. Acreage of this vegetable in the intermediate States is only slightly greater than last season. New York growers expect a little larger acreage of lettuce, but Colorado plantings may be reduced by 15 per cent.

Texas has already shipped 5,000 cars of onions, and movement last week still averaged 90 cars daily. Southern California's total for the week was 360 cars. Prices of No. 1 Texas Yellow Bermudas made a slight recovery at 90 cents to \$1, f. o. b. shipping point, and at \$1.50 to \$1.90 in city markets. Egyptian onions were jobbing at \$3.50 to \$4 per sack of 112 pounds. About 37 carloads arrived from Egypt, and additional cargoes are due within 10 days.

Green peas were moving most actively from North Carolina, and bean shipments were heavy in Louisiana. Both these products tended downward in price.

Cucumbers remained high, Florida stock averaging \$5 per seven-eighths bushel hamper in consuming centers.

Green corn was bringing \$1.50 per bushel basket at Rio Grande Valley points.